

Debtors:
Thomas & Violet Foushee
#10-48021

STEVEN D. TALBOT, P.S.

Lawyer

*Practice limited to defense against
the Internal Revenue Service and
state taxing agencies*

MAIN OFFICE

2101 129th Street NE
Suite 213
Vancouver, WA 98685
360-735-7511

601 S Pioneer Way
Suite F302
Moses Lake, WA 98837
509-766-9496

2000 N Columbia Way
Richland, WA 99352
509-542-9355

Toll Free 1 866 ROCK IRS (762 5477)

July 14, 2010

Molalla Care Facility LLC
c/o Thomas D Foushee Member
38804 NE Christensen Road
La Center, WA 98629

FILED _____
LODGED _____
RECEIVED _____

DEC 13 2010

MARK L. HATCHER
CLERK U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

Re: IRS balances owing for 941 taxes

Dear Mr. Foushee:

This letter is to specify the terms of our engagement and the nature and limitations of the services we will provide.

1. Scope of Engagement.

We will perform the following services:

- (XX) We will perform a comprehensive analysis of your tax problems and advise you of the potential solutions available to you, including but not limited to, bankruptcy.
- () We will prepare your 1999 through 2008 Federal Income Tax Returns from information you will provide us and/or that we may obtain from the IRS.
- (XX) We will attempt to negotiate an acceptable payment plan with the Internal Revenue Service for past due income taxes, or have your account placed in non-collectible status.
- () We will prepare an "Offer In Compromise" for the total amount owing to the Internal

Revenue Service for all years disclosed to our firm and attempt to negotiate with the Internal Revenue Service on your behalf to have them accept your Offer In Compromise based on your inability to pay the total amount owed.

- (XX) We will contact the Internal Revenue Service Under the Freedom of Information Act to obtain a copy of your Individual Master File for the Years 2007 through 2010.
- () We will represent you before the IRS in regards to your Income tax audit for _____.
- () We will file an amended Federal (and State) Income Tax return from information you will provide us.

None of the services can be relied upon to detect errors, irregularities or illegal acts that may exist. (However, we will inform you of any such matters that come to our attention.) Also, all requests to the Internal Revenue Service for abatement of penalties and "Offers In Compromise" are decided by the Internal Revenue Service, and we have no control over their final decision. The IRS may file a Federal Tax Lien, which is a public notice to your creditors that the IRS has a lien against your property.

We undertake this engagement indicating that we cannot provide an expected delivery date for the products of our services due to many factors beyond our control including, but not limited to, timely and complete production of information to us and your cooperation. This paragraph is a material and important condition of our engagement and the client shall hold Steven D. Talbot, P.S. and its employees harmless for any losses incurred, including the imposition of interest and penalties, due to time delays.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform you of any material errors or fraud that come to our attention and any illegal acts that do come to our attention, unless they are clearly inconsequential. In addition, we have not responsibility to identify and communicate significant deficiencies of material weaknesses in our internal control as part of this engagement.

2. Initial Payments.

Our fixed price for these services is \$2,500. We require a retainer of \$1,000 before we proceed. All retainers for services are earned when paid - no refunds. Our price is based on the value of services to be rendered to you and we have mutually agreed on this value prior to the commencement of our work. Failure to pay either retainer request or other agreed sum shall

cause our firm to immediately stop-providing services without further notice to you. If an unanticipated situation arises (such as, but not limited to, and audit by a taxing agency, or any other service not anticipated in this agreement, we agree to perform the additional work at a price that we will agree to before the service is provided. This service will be billed separately to you, as part of a change order, and will be payable upon presentation [or payable upon terms mutually agreed upon.]

Fees and retainers are paid in consideration of our acceptance of responsibility for your case and for legal services, with the understanding that the fee is generally non-refundable because of the eight factors listed below, especially the fact that the acceptance of your case will preclude us from other employment. All payments to this firm now and in the future, whenever paid, whether fixed fee or retainer, are "earned when paid," "non-refundable," minimum fees and become the immediate property of this firm. Generally speaking, "There are no refunds;" however, you may nevertheless discharge this firm at any time and in that event may be entitled to a refund of all or part of the fee based upon the value of the representation pursuant to the following factors: (1) the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly; (2) the fact that the acceptance of the particular employment will preclude other employment by the lawyer; (3) the fee customarily charged in the locality for similar legal services; (4) the amount involved and the results obtained; (5) the time limitations imposed by the client or by the circumstances; (6) the nature and length of the professional relationship with the client; (7) the experience, reputation, and ability of the lawyer or lawyers performing the services; (8) the degree of risk assumed by the lawyer.

In the case of a retainer, the amount paid is a nonrefundable credit to the client's account for fees and costs. You agree to pay in advance for legal work now and in the future. In the future, this firm shall make reasonable requests for additional retainers, commensurate with responsibility, skill required, and other factors, including, among others, expected time and effort to be further expended on the case. You agree to honor the firm's request for additional retainers and if you fail to do so, this firm may withdraw from representing you. Moreover, if you do not timely pay any outstanding balances, the firm may withdraw from representing you.

3. Miscellaneous.

a. It is important for both of us to keep our roles in mind: as the client, you are my principal; as your lawyers, I serve as your agent. The client (principal) receives advice from the lawyer (agent), makes a decision and then instructs the agent as to how to carry out the decision; the agent then carries out the principal's instructions. In other words, it is not the

lawyer's role to make decisions about your case; the lawyer advises and then follows instructions.

b. To make sure that our lines of authority and communication are clear, I will make reasonable efforts to confirm by follow up letter: my advice, your decisions and my instructions.

c. If for any reason I fail to do so, or fail to accurately summarize these events, please notify me as soon as possible so that I may take corrective action.

d. While I can make no guarantee of a successful conclusion to your case, I will use my best efforts on your behalf. I will be primarily responsible for this matter. However, other staff members from this office may also work on aspects of your case.

e. You are obligated to fully cooperate with all members of this firm and my staff. Such cooperation includes being polite, keeping appointments, producing documents, and paying my fees as agreed. Failure to cooperate constitutes cause for me to withdraw from further representation.

f. Call me in advance if you would like a conference or an appointment (509) 766-9496. I discourage you from "dropping in," as it may interrupt a conference already in progress with another client, or more likely, because I travel between four offices, I may not be in when you drop in.

g. As to phone calls, I do not accept calls at certain times of the day, which I reserve for research, conferences, etc. But please call anytime and leave a message that will help me when I return your call. My assistants are very highly trained and can answer many questions. However, if they cannot answer your questions or if you need to speak to me and I am not in when you call, I will return your call as soon as I can, which may be one or two days later.

h. This office will not settle nor compromise any matter without your consent.

i. My policy is to immediately mail you copies of all incoming and outgoing mail which concerns your case unless I believe that another has sent you an identical copy. In order to minimize your expenses for receiving this information, most materials will be sent without further explanation and will be stamped "for your information". If an explanation is needed, a cover letter will accompany the materials. Sometimes the piece of mail will be stamped "Please call me as soon as you receive this copy," which means I need to talk to you

about something (usually, but not always, that piece of mail) before I can go on. In any event, do not hesitate to call if any questions arise.

j. Our tax system is designed so that all participants can have their day before the IRS to express any acceptable legal theory. No matter how clear the facts seem to you; no matter how strongly you feel you should prevail; no matter how much you want to quickly resolve your problems; complete resolution of tax cases can easily take 12 months, and, more likely, 18 months. You should not be surprised if the case takes longer than 18 months to resolve.

4 Documents.

a. It is my office policy to keep original documents. However, I will return all original documents to you at the conclusion of the case.

b. Three years after my file is closed I will destroy my entire file without notice to you.

c. Except for documents you deliver to me, all materials placed in the file to be set up for you are the property of this office, and they will not be released to you under any circumstances without my written approval, and the staff has been instructed accordingly.

5 Conclusion; Withdrawal from Representation.

This employment agreement will cease upon a final resolution of the specific services outlined above. If you want me to represent you after these services have been resolved, a separate employment agreement covering such legal services must be entered into between us after that resolution.

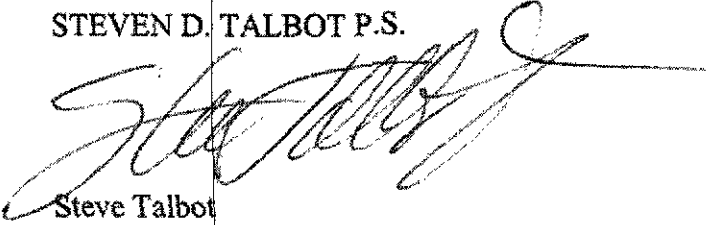
The attorney-client relationship is one of mutual trust and confidence. If you have any questions at all about the provisions of this Fee Agreement, I invite your inquiries. I encourage my clients to inquire about any matter relating to my fee agreements or monthly statements that are in any way unclear or appear unsatisfactory.

If you do not meet your obligation of timely payments under this Agreement, I reserve the right to withdraw from this representation on that basis alone, subject of course, to any required judicial or administrative approvals.

Please call us if we can assist you with any other matters or if you have any questions regarding this letter.

Very truly yours,

STEVEN D. TALBOT P.S.



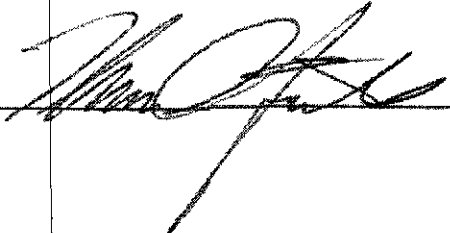
Steve Talbot

SDT:tlv

ACCEPTED:

I/We have read the forgoing terms, provisions and agreements; understand them and agree and accept the same. I/We understand that we have the right to have this agreement examined by an independent legal advisor of our choosing

Client:



Client: _____

Date:

7-14-10

Date: _____

MORTGAGE RESOLUTION SERVICES

Laura Harrison

507 SOUTH SIXTH STREET * WILMINGTON * NC. 28401

OFFICE: 910-762-2023 • FAX: 910-763-5464

Email: lharrison222@att.net

Debtor:

Thomasq Violet Foushee

10-48021

FILED

LODGED

RECEIVED

DEC 13 2010

WORK AGREEMENT

MARK L. HATCHER
CLERK U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON

The undersigned Client hereby requests that Mortgage Resolution Services here in after referred to The Company to act as agent, for the Mortgagee, here in after known as Client, in assisting with certain financial problems resulting from delinquency and/or foreclosure sale situations with 1st mortgage. The Company hereby agrees to act as such agent faithfully, and to the best of its ability to review and restructure financial choices and act as a liaison with the lender to avoid the loss of possession of the mortgagor's home.

APPLICATION:

Client represents that the information given The Company relative to financial status and the mortgage delinquency and/or foreclosure sale situation is complete and accurate including reasons for delinquency, mortgagee's name, account number, as well as, the terms and status of the mortgage, including indebtedness, delinquency and financials regarding personal household income and expenditures.

CONSULTATION FEE:

- Client shall pay a "Consultant Fee" to The Company, (whatever "Fee" is deemed appropriate) as compensation for services rendered for financial counseling and negotiating with the mortgage lender, with the goal of affecting a solution in connection with Client's delinquent mortgage.

That "Fee" will be returned LESS \$200.00 if a resolution can not be found.

PAYMENT SHALL BE MADE AS FOLLOWS:

- The Client will pay and submit by WESTERN UNION along with the Contract. and any additional documents that might be requested at that time.
- No services will be performed until the "Fee" is paid in full.

REFUND POLICY:

- If all information stated during the pre-qualifying phone interview is accurate, but it is discovered during the *initial* interview that The Company has with the Lender that The Company will not be able to fulfill its obligation to the Client, the Client will qualify for a refund less \$200.
- The service fee of \$200 is not considered part of the refundable charges and shall be retained by The Company to offset some of the expenses and hours of work incurred.

SUSPENSION: The Company will suspend work on Client's file if:

- The Company performs or attempts to perform as hired, and finds the information given by Client is incorrect or misleading during the qualification interview or in any of the paperwork, at any time.
- Client does not fully co-operate with the plan set forth by The Company during the negotiation period; services will be suspended until such a time that the Client co-operates.

MORTGAGE RESOLUTION SERVICES

Laura Harrison

507 SOUTH SIXTH STREET * WILMINGTON * NC. 28401

OFFICE: 910-762-2023 • FAX: 910-763-5464

Email: lharrison222@att.net

TERMINATION: The Company will not be responsible to continue services if Client:

- **Fails to save each mortgage payment from the time the Contract is signed by The Client.**
- Does not comply with the results of the workout if that workout results in saving Client's home, and is affordable according to the budget analysis.
- Gives incorrect, untrue or misleading material information during a conference call or on any paperwork.
- Does not fully cooperate with The Company by being available for telephone conferences, by not supplying the requested information or documentation necessary in a timely manner to affect a solution (5 days), or does not fully follow the plan of action recommended by The Company.
- Client contacts the Lender or, if called by the Lender, discusses their default situation.
- Client compromises or makes any agreement with Lender without the knowledge or agreement of The Company.

In any or all of the above cases of termination, Client will NOT receive a refund. In the case that the Client wishes to terminate this agreement, resolves the situation for which The Company has been hired to perform, or decides on another course of action, The Client will NOT receive a refund.

AUTHORIZATION: Client hereby authorizes The Company to furnish any and all information including the budget analysis, contractual debts, etc. to the Lender, other agencies, or individuals connected with his/her mortgage to aid The Company in representing Client.

CLIENT UNDERSTANDS:

- Information given to Client by The Company is ministerial and should in no way be construed as legal advice. If legal advice is necessary, The Company will recommend Client seek legal advice.
- That if Client should seek alternative or legal counsel, this will not negate The Company from earning any fees.

DISCLOSURE:

Client understands and has been informed that The Company will help Client by resolving their mortgage issues in any way that The Company deems necessary for that purpose. Any action by the Client to impede slow down or stop this process will forfeit the responsibility of The Company and terminate Contract.

The Client understands that The Company undertakes only to perform services to alleviate the aforementioned problems, and in no way undertakes to perform legal or other services.

LIABILITY:

The Company is limited to the funds received in connection with the services rendered.

"Let us therefore approach the Throne of Grace with confidence, so that we may receive mercy and find grace to help us in our time of need!" Hebrews 4:16

MORTGAGE RESOLUTION SERVICES

LAURA HARRISON

507 SOUTH SIXTH STREET * WILMINGTON, NC 28401

OFFICE #: 910-762-2023 FAX #: 910-763-5464

lharrison222@att.net

PAYMENT PLAN

* PLEASE EMAIL or FAX the signed Contract and other documentation:

EMAIL: lharrison222@att.com or FAX #: 910-763-5464

* FEE of: **\$700.00**, sent by **WESTERN UNION** in your area.

* PLEASE Follow ALL Instructions on the Cover Sheet.

* Payment is to be paid to: **LAURA HARRISON**

By affixing the signature below and remitting the above payment, the Client hereby agrees that he (she/they) wish to use the services of The Company and will adhere to any and all terms outlined in attached Work Agreement, and also agrees that all information given during initial intake interview and on all paperwork is true and correct.

Please sign and return with your paperwork.

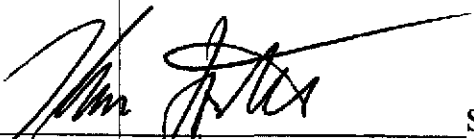
Name: THOMAS & VIOLET M. FOUSHEE


Property Address: 38718 NORTH EAST CHRISTENSEN RD

LA CENTER, WASH. 98629

Phone: CELL #: 360-263-1800 * WK: 360-263-1800 * WORK FAX: 360-263-1509

EMAIL: tfoushee_1@hotmail.com

 SS#: 542-58-9448 Date: 10-17-10
Signature: THOMAS FOUSHEE

 SS #: 544-60-8349 Date: 10-17-10
Signature: VIOLET M. FOUSHEE

FUNDS BY WESTERN UNION:

Address: Wilmington, North Carolina 28412

PLEASE FAX IN THE RECEIPT TO THE OFFICE: 910-763-5464

We will need the MTCN # Thank You.

**** TOM – Don't forget to file with your Attorney General's Office.**